

MULTICOUNTY APPRAISAL TRUST MODIFICATIONS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jennifer Dailey-Provost

Senate Sponsor: _____

LONG TITLE

General Description:

This bill modifies provisions related to the Multicounty Appraisal Trust (trust).

Highlighted Provisions:

This bill:

- ▶ defines terms;
 - ▶ increases the tax rate of the multicounty assessing and collecting levy imposed by counties;
 - ▶ authorizes the use of trust funds for valuation services within counties;
 - ▶ requires the Utah Association of Counties to appoint the trustee of the trust;
 - ▶ requires counties to adopt the statewide property tax system with certain exceptions;
- and
- ▶ makes technical corrections.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides retrospective operation.

Utah Code Sections Affected:

AMENDS:

59-2-1601, as last amended by Laws of Utah 2022, Chapter 451

59-2-1602, as last amended by Laws of Utah 2022, Chapters 239, 451



28 **59-2-1606**, as last amended by Laws of Utah 2020, Chapter 447



30 *Be it enacted by the Legislature of the state of Utah:*

31 Section 1. Section **59-2-1601** is amended to read:

32 **59-2-1601. Definitions.**

33 As used in this part:

34 (1) "County additional property tax" means the property tax levy described in
35 Subsection **59-2-1602**(4).

36 (2) "Fund" means the Property Tax Valuation Fund created in Section **59-2-1602**.

37 (3) "Multicounty Appraisal Trust" means the Multicounty Appraisal Trust created by
38 an agreement:

39 (a) entered into by all of the counties in the state; and

40 (b) authorized by Title 11, Chapter 13, Interlocal Cooperation Act.

41 (4) "Multicounty assessing and collecting levy" means a property tax levied in
42 accordance with Subsection **59-2-1602**(2).

43 (5) "Statewide property tax system" means a computer assisted system for mass
44 appraisal, equalization, collection, distribution, and administration related to property tax,
45 created by the Multicounty Appraisal Trust in accordance with Section **59-2-1606**.

46 (6) "Trustee" means the trustee of the Multicounty Appraisal Trust.

47 (7) (a) "Valuation service" means any service or technology that promotes uniform
48 assessment levels for the valuation of personal property and real property in accordance with
49 Part 3, County Assessment.

50 (b) "Valuation service" includes statewide aerial imagery, change detection, sketch
51 validation, exception analysis, commercial valuation modeling, residential valuation modeling,
52 automated valuation modeling, and equity analysis.

53 Section 2. Section **59-2-1602** is amended to read:

54 **59-2-1602. Property Tax Valuation Fund -- Statewide levy -- Additional county**
55 **levy.**

56 (1) (a) There is created a custodial fund known as the "Property Tax Valuation Fund."

57 (b) The fund consists of:

58 (i) deposits made and penalties received under Subsection (3); and

59 (ii) interest on money deposited into the fund.

60 (c) Deposits, penalties, and interest described in Subsection (1)(b) shall be disbursed
61 and used as provided in Section 59-2-1603.

62 (2) (a) Each county shall annually impose a multicounty assessing and collecting levy
63 as provided in this Subsection (2).

64 (b) The tax rate of the multicounty assessing and collecting levy is:

65 (i) for a calendar year beginning on or after January 1, [2022] 2024, and before January
66 1, 2025, [~~0.000015~~; and] .000028;

67 (ii) for a calendar year beginning on or after January 1, 2025, and before January 1,
68 2026, .000038; and

69 [(~~it~~)] (iii) for a calendar year beginning on or after January 1, [2025] 2026, the certified
70 revenue levy rounded up to the sixth decimal place.

71 (c) The state treasurer shall allocate revenue collected from the multicounty assessing
72 and collecting levy as follows:

73 (i) 18% of the revenue collected shall be deposited into the Property Tax Valuation
74 Fund, up to \$500,000 annually; and

75 (ii) after the deposit described in Subsection (2)(c)(i), all remaining revenue collected
76 from the multicounty assessing and collecting levy shall be deposited into the Multicounty
77 Appraisal Trust.

78 (3) (a) The multicounty assessing and collecting levy imposed under Subsection (2)
79 shall be separately stated on the tax notice as a multicounty assessing and collecting levy.

80 (b) The multicounty assessing and collecting levy is:

81 (i) exempt from Sections 17C-1-403 through 17C-1-406;

82 (ii) in addition to and exempt from the maximum levies allowable under Section
83 59-2-908; and

84 (iii) exempt from the notice and public hearing requirements of Section 59-2-919.

85 (c) (i) Each county shall transmit quarterly to the state treasurer the revenue collected
86 from the multicounty assessing and collecting levy.

87 (ii) The revenue transmitted under Subsection (3)(c)(i) shall be transmitted no later
88 than the tenth day of the month following the end of the quarter in which the revenue is
89 collected.

90 (iii) If revenue transmitted under Subsection (3)(c)(i) is transmitted after the tenth day
91 of the month following the end of the quarter in which the revenue is collected, the county shall
92 pay an interest penalty at the rate of 10% each year until the revenue is transmitted.

93 (d) The state treasurer shall allocate the penalties received under this Subsection (3) in
94 the same manner as revenue is allocated under Subsection (2)(c).

95 (4) (a) A county may levy a county additional property tax in accordance with this
96 Subsection (4).

97 (b) The county additional property tax:

98 (i) shall be separately stated on the tax notice as a county assessing and collecting levy;

99 (ii) may not be incorporated into the rate of any other levy;

100 (iii) is exempt from Sections 17C-1-403 through 17C-1-406; and

101 (iv) is in addition to and exempt from the maximum levies allowable under Section
102 59-2-908.

103 (c) Revenue collected from the county additional property tax shall be used to:

104 (i) promote the accurate valuation and uniform assessment levels of property as
105 required by Section 59-2-103;

106 (ii) promote the efficient administration of the property tax system, including the costs
107 of assessment, collection, and distribution of property taxes;

108 (iii) fund state mandated actions to meet legislative mandates or judicial or
109 administrative orders that relate to promoting:

110 (A) the accurate valuation of property; and

111 (B) the establishment and maintenance of uniform assessment levels within and among
112 counties; and

113 (iv) establish reappraisal programs that:

114 (A) are adopted by a resolution or ordinance of the county legislative body; and

115 (B) conform to rules the commission makes in accordance with Title 63G, Chapter 3,
116 Utah Administrative Rulemaking Act.

117 Section 3. Section 59-2-1606 is amended to read:

118 **59-2-1606. Use of funds deposited into the Multicounty Appraisal Trust --**

119 **Appointment and duties of trustee -- County adoption of statewide property tax system.**

120 (1) The funds deposited into the Multicounty Appraisal Trust in accordance with

121 Section 59-2-1602 shall be used to provide funding for:

122 (a) a statewide property tax system that will promote:

123 ~~(a)~~ (i) the accurate valuation of property;

124 ~~(b)~~ (ii) the establishment and maintenance of uniform assessment levels among
125 counties within the state;

126 ~~(c)~~ (iii) efficient administration of the property tax system, including the costs of
127 assessment, collection, and distribution of property taxes; and

128 ~~(d)~~ (iv) the uniform filing of a signed statement a county assessor requests under

129 Section 59-2-306, including implementation of a statewide electronic filing system[-]; and

130 (v) valuation services within counties.

131 (2) (a) The Utah Association of Counties shall appoint the trustee of the Multicounty
132 Appraisal Trust.

133 (b) The trustee ~~[of the Multicounty Appraisal Trust]~~ shall:

134 ~~(a)~~ (i) determine which projects to fund, including valuation services within counties;

135 and

136 ~~(b)~~ (ii) oversee the administration of a statewide property tax system that meets the
137 requirements of Subsection (1)(a).

138 (3) (a) Except as provided in Subsection (3)(b), each county shall adopt the statewide
139 property tax system on or before January 1, 2026.

140 (b) A county is exempt from the requirement in Subsection (3)(a) if:

141 (i) the county utilizes a computer assisted property tax system for mass appraisal other
142 than the statewide property tax system;

143 (ii) the county demonstrates to the trustee that the property tax system described in
144 Subsection (3)(b)(i) is interoperable with the statewide property tax system; and

145 (iii) the trustee approves the exemption.

146 Section 4. **Effective date.**

147 This bill takes effect on May 1, 2024.

148 Section 5. **Retrospective operation.**

149 Section 59-2-1602 has retrospective operation for a taxable year beginning on or after
150 January 1, 2024.